

**MINUTES OF THE
PUBLIC UTILITIES AND TECHNOLOGY INTERIM COMMITTEE**

Wednesday, June 15, 2011 – 9:00 a.m. – Room 25 House Building

Members Present:

Sen. J. Stuart Adams, Senate Chair
Rep. Michael E. Noel, House Chair
Sen. Benjamin M. McAdams
Sen. Stephen H. Urquhart
Pres. Michael G. Waddoups
Rep. Roger E. Barrus
Rep. Joel K. Briscoe
Rep. Fred C. Cox
Rep. John Dougall
Rep. Jack R. Draxler
Rep. Stephen G. Handy
Rep. Lynn N. Hemingway
Rep. Neal B. Hendrickson

Rep. Christopher N. Herrod
Rep. Ken Ivory
Rep. Patrick Painter
Rep. Holly J. Richardson
Rep. Ryan D. Wilcox

Staff Present:

Mr. Richard C. North, Policy Analyst
Mr. Thomas R. Vaughn, Associate General Counsel
Ms. Tracey Fredman, Legislative Secretary

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at www.le.utah.gov.

1. Committee Business

Chair Adams called the meeting to order at 9:15 a.m.

MOTION: Rep. Draxler moved to approve minutes of the May 18, 2011 meeting. The motion passed unanimously. Sen. Urquhart, Rep. Dougall, Rep. Painter, and Rep. Wilcox were absent for the vote.

2. Universal Service Fund

Mr. Stephen Mecham, Director, Utah Rural Telecom Association, briefed committee members on a proposed rule before the Federal Communications Commission that seeks to reform the interstate Universal Service Fund (USF). Mr. Mecham explained that the USF was created to insure basic telecommunications services in rural America. He stated that the proposed rule would cap those rural funds and thereby harm telephone service.

Mr. Douglas Meredith, Consultant, John Staurulakis, Inc., discussed the provisions of the rule and some of the significant negative impacts it would have on small rural service providers in Utah.

Committee discussion followed. Mr. Mecham and Mr. Meredith responded to committee members' questions. No action was taken on this item.

3 Natural Gas Vehicle Infrastructure

Mr. Rey Butcher, Vice President of Government Relations, and Mr. Carl Galbraith, Director of Business Development, Questar Corporation, presented an update of the natural gas vehicle program in Utah.

Ms. Kathy Van Dame, Policy Coordinator, Wasatch Clean Air Coalition, commented on the plausibility of electric vehicles that do not utilize fossil fuels and expel less air emissions than the natural gas vehicles.

Mr. Merritt Norton, Chief Executive Officer, CH₄ Energy, discussed liquified natural gas which is suitable for use in heavy duty vehicles.

4. Nuclear Power Facility Water Use

Mr. Aaron Tilton, President, Blue Castle Holdings, Inc., distributed "Utah's Blue Castle Nuclear Generating Station, Water Use and Key Economic Benefits," and noted the efficiency of water use by nuclear power plants.

Mr. Jerry Olds, former State Engineer, Utah Division of Water Rights, stated that the proposed source for the Blue Castle power plant is the Green River, near Green River, Utah. He said the water use by the plant will not impair existing water rights.

5. Electrical Transmission Line Infrastructure

Mr. David Smith, Director of Engineering, TransWest Express LLC, briefed committee members on the 775- mile TransWest Express Transmission Project, which will deliver renewable energy produced in Carbon County, Wyoming along a corridor toward the Hoover Dam in Nevada. Mr. Smith said the transmission line is slated for service in 2016.

6. Utility Facility Siting Process / Proposed Infrastructure

Mr. North briefed committee members on the siting of high voltage transmission lines two years ago in northern Utah.

Mr. Jeff Richards, Assistant General Counsel, Rocky Mountain Power, discussed the Siting of High Voltage Power Line Act, which was enacted in 2009. He recommended that all projects be subject to the process, which would include meshing state statute with federal regulations.

Commissioner Ryan Tingy, Box Elder County, commented on the need to plan corridors on federal or state land, regardless of the increased amount of time it takes to comply with the National Environmental Policy Act.

Commissioner Brian Shaffer, Box Elder County, spoke in support of seeking the use of public land for building transmission lines.

Commissioner Ron Allen, Public Service Commission, said he would speak on the issue at a future meeting.

7. Other Items / Adjourn

MOTION: Rep. Hendrickson moved to adjourn the meeting. The motion passed unanimously with Pres. Waddoups, Rep. Hemingway, and Rep. Ivory absent for the vote.

Chair Adams adjourned the meeting at 11:57 a.m.